



## *SUCCESS STORY*

### *PHILADELPHIA DISTRICT OFFICE*

U. S. SMALL BUSINESS ADMINISTRATION

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#### **Downingtown Brewmasters continue to taste the thrill of Victory**

With ambition, a 25 barrel custom brewhouse, and an SBA loan, Bill Coveleski and Ron Barchet opened the doors of their dream to the thirsty crowds on February 15, 1996. They converted an abandoned industrial baking facility located in Downingtown, PA., Chester County, into a first class brewery and restaurant.

Bill and Ron's friendship began when they were fifth graders and both were attending a new school in Collegeville. They remained friends through their college years. Their interest in brewing started as a hobby, when Bill purchased a home brewing kit. He purchased a kit for Ron and the two were hooked.

In the pursuit of quality beer and beer knowledge, Bill and Ron took a trip to Europe in 1987. Their brewery tour started in Belgium and went through Switzerland, Bavaria and the Black Forest. Awed by the diversity of beer styles, depth and flavors, they came back home with fantasies of opening their own brewery.

In 1988 Bill and Ron attended the Great American Beer Festival in Denver. Ron was inspired to change careers and landed an apprenticeship at the Baltimore Brewing Company. There Ron learned the art of brewing under Dutch-born Brewmaster Theo DeGroen. Ron then moved on the study at the Technical University of Munich in Weihenstephan, Germany.

Bill followed in Ron's footsteps and began working with Theo DeGroen in Baltimore. Under Theo, Bill expanded the line of beers to include German specialties. In 1993 he went on to further study brewing at the Doemens Institute in Germany.

By that time, Ron had returned to the States and joined the Old Dominion Brewing Company in Virginia. On New Year's Eve of 1994, Bill, Ron and their ever-trusting wives agreed to open their own Brewery.

Bill and Ron created a business plan and began the process of trying to obtain financing for their dream.

The Victory name was born after they experienced the headaches and hassles of trying to obtain conventional financing. In their darkest moments, Bill and Ron were determined to push forward to a victory over their doubters.

Bill and Ron turned to a preferred SBA lender, AT&T (now CIT). AT&T and the SBA approved Bill and Ron's \$500,000 loan for renovations and equipment at the Downingtown site.

Victory's Belgian style beers were successful right from the beginning. They have received many awards over the years including 1999 Domestic Beer of the Year and Brewery of the Year honors in 2001.

Earlier this year, SBA was able to assist Bill and Ron again with a 504 loan, through the South Eastern Economic Development Company of PA (SEEDCO), to purchase their original location. "We must thank the local chapter of the SBA for supporting our initial efforts in 1996, and now, again in 2004. They have always understood the capital intensive nature of our brewing business and have been excellent partners in financing equipment purchases. With our recent 504 loan, we are positioned to continue sales growth well into the future".

While many of their competitors have gone out of business, consumer demand has helped Victory to continue to grow and to be distributed in various parts of the U.S. and Great Britain.

Each day brings new challenges and opportunities for Bill and Ron, who have remained committed to brewing bold inspired beers that satisfy their customer's passion for quality and consistency.